

FAIR ELECTIONS NOW ACT

The Fair Elections Now Act would help restore public confidence in the Congressional election process by providing qualified candidates for Congress with grants, matching funds, and vouchers from the Fair Elections Fund to replace campaign fundraising that largely relies on large donors and special interests. In return, participating candidates would agree to limit their campaign spending to the amounts raised from small dollar donors plus the amounts provided from the Fund.

This voluntary alternative would free participating candidates from the incessant, time-consuming money chase that has tainted public perceptions of elected officials and fostered abuses that undermine our democracy. Through a viable, competitive public financing system, the Fair Elections Now Act would allow candidates to instead devote their time to effectively representing their constituents and solving our nation's critical problems.

The Fair Elections Now Act amends the Federal Elections Campaign Act of 1971 to establish a voluntary method for financing Senate campaigns. The Fair Elections system is composed of three stages:

- To participate, candidates would first need to prove their viability by raising a minimum number and minimum dollar amount of small-dollar qualifying contributions from in-state donors. Once a candidate qualifies, that candidate must limit the amount raised from each donor to \$150 per election.
- For the primary, participants would receive a base grant that would vary in amount based on the population of the state that the candidate seeks to represent. Participants would also receive a 6-to-1 match for small dollar donations up to a defined matching cap. After reaching that cap, the candidate could raise an unlimited amount of unmatched \$150 contributions if needed to compete against high-spending opponents, as well as contributions from small-donor People PACs.
- For the general election, qualified candidates would receive an additional grant, small-dollar matching, and media vouchers for television advertising. The candidate could continue to raise an unlimited amount of \$150 contributions if needed, as well as contributions from small-donor People PACs.

The bill also establishes a "My Voice Tax Credit" to encourage individuals to make small donations to campaigns. The maximum refundable amount for the tax credit would be \$25 for individuals and \$50 for joint filers. To ensure that the tax credit targets small donors, it is only available to individuals who do not contribute more than \$300 to a candidate or political party in any given year.

The bill also creates a type of small donor political action committee, known as a "People PAC." In contrast to traditional federal PACs that can accept contributions of up to \$5000 per year from individuals or Super PACs that can accept unlimited contributions, People PACs would only be permitted to accept contributions of \$150 or less per election from individuals. People PACs would thus allow average citizens an opportunity for making their collective voices heard. Small donors would be able to aggregate their funds in a People PAC to make campaign contributions of up to \$5000 per election to qualified Fair Elections candidates. Coupled with the Fair Elections public financing system, People PACs would elevate the views and interests of a diverse spectrum of Americans, rather than those of the traditional, wealthy donor class.

Special rules would apply for runoff and uncontested elections. Participating candidates would receive enough funding to compete in every election, without having to spend most of their time raising money.

Fair Elections wouldn't add a dime to the deficit. It would be financed by a .05% fee on annual federal contracts over \$10 million, with a maximum fee of \$500,000 per year.

At this critical moment in our nation's history, our elected leaders in Washington must dedicate every available moment to solving our nation's challenges. Our leaders must have the trust of the American people that their decisions will benefit all Americans, not just the wealthy.